

VILLAGE OF BELCHER**Annual Financial Statements****As of December 31, 2010
and for the Year Then Ended**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/20/11

VILLAGE OF BELCHER

Annual Financial Statements As of and for the Year Ended December 31, 2010 With Supplemental Information Schedules

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MILLER, CARPENTER & EARNEST

CERTIFIED PUBLIC ACCOUNTANTS

(A Professional Corporation)

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AMERICAN INSTITUTE OF CERTIFIED

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SOCIETY OF LOUISIANA CERTIFIED

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PUBLIC ACCOUNTANTS

June 28, 2011

Office of Legislative Auditor
Attention: Ms. Suzanne Elliott
1600 North Third
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Ms. Elliott:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the VILLAGE OF BELCHER, as of and for the year ended December 31, 2010. This report includes all funds under the control and oversight of the VILLAGE OF BELCHER.

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States.

Sincerely,



Miller, Carpenter & Earnest, CPA's

Enclosure

VILLAGE OF BELCHER
P. O. Box 206
Belcher, Louisiana 71004

Management Discussion and Analysis (Unaudited)
As of and for the Year Ended December 31, 2010

Our discussion and analysis of VILLAGE OF BELCHER (the "Village") financial performance provides an overview of the Village's financial activities for the fiscal year ended December 31, 2010. Please read it in conjunction with the Village's financial statements.

FINANCIAL HIGHLIGHTS

For 2010, the total revenues for the Village were \$253,996 compared to \$410,975 in 2009.

During the years ended December 31, 2010 and 2009 the Village had total expenses, excluding depreciation, of \$267,523 and \$405,401, respectively.

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide statements by providing information about the Village's most significant funds. The accompanying financial statements present information only on the funds maintained by the Village.

REPORTING THE VILLAGE OF BELCHER AS A WHOLE

One of the most important questions asked about the Village's finances is "Is the Village as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the funds maintained by the Village as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the Village's net assets and changes in them. You can think of the Village's net assets - the difference between assets and liabilities - as one way to measure the Village's financial health, or financial position. Over time, increases or decreases in the Village's net assets are one indicator of whether its financial health is improving or deteriorating. In the Statement of Net Assets and the Statement of Activities, we record the funds maintained by the Village as governmental activities:

Governmental Activities

All of the expenses paid from the funds maintained by the Village are reported here which consists primarily of repairs and maintenance, office, legal fees, utilities and other program services. Franchise tax, insurance premium tax, and occupational taxes fund these services.

REPORTING OF THE VILLAGE'S MOST SIGNIFICANT FUND(S)

Our analysis of the major funds maintained by the Village begins on page 14. The fund financial statements provide detailed information about the most significant funds maintained by the Village as a whole. The Village's governmental funds use the following accounting approaches:

Governmental Fund

All of the Village's basic services are reported in governmental funds. The focus of the governmental fund is the flow of the funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund statements provide a detailed short-term view of the Village's general governmental operations and the expenses paid from those funds. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance certain Village expenses. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation.

THE VILLAGE OF BELCHER AS A WHOLE

Following is the summary information from the statement of net assets (Table 1) and the statement of activities (Table 2) comparing amounts as of December 31, 2010 and 2009:

Table 1
Net Assets

	2010	2009
Assets		
Cash and cash equivalents	\$ 58,027	\$ 51,554
Time deposits	100,000	100,000
Grant receivable, net	0	20,000
Capital assets, net	1,060,750	627,901
Total Assets	1,218,777	799,455
Liabilities		
Payroll withholdings payable	276	276
Other payables	8,820	8,820
Total Liabilities	9,096	9,096
Net Assets		
Invested in capital assets	1,060,750	627,901
Restricted	12,152	8,814
Unrestricted	136,779	153,644
Total Net Assets	1,209,681	790,359
Total Liabilities & Net Assets	\$ 1,218,777	\$ 799,455

Table 2
Changes in Net Assets

	2010	2009
Revenues		
Grant revenue	\$ 223,144	\$ 380,360
Insurance premiums	10,971	14,098
Franchise tax	7,357	7,490
Veteran's Memorial	5,565	1,976
Occupational license	3,125	3,210
Interest	3,544	3,796
Miscellaneous	290	45
Total Revenues	253,996	410,975
Expenses		
General government	44,129	39,885
Total Expenses	44,129	39,885
Inc (Dec) in Net Assets	\$ 209,867	\$ 371,090

Net assets of the Village's governmental activities increased by \$209,867 during the year ended December 31, 2010. Unrestricted net assets, the part of net assets that can be used to finance the Village expenses without constraints or other legal requirements, decreased from a year ago, from \$153,644 at December 31, 2009, to \$136,779 at December 31, 2010. The Village has restricted assets of \$12,152 which represents an increase from \$8,814 at December 31, 2009. The restricted assets are to maintain the Veterans Memorial at town hall.

THE VILLAGE'S FUNDS

As the Village completed the year, its governmental funds (as presented in the balance sheet on page 14) reported a combined fund balance of \$148,931, which is less than last year's fund balance of \$162,458. The primary reason for the decrease is the additional cost of legal services due to the zoning ordinance that was voted on and placed in service on December 1, 2010.


General Fund Budgetary Highlights

The Village adopted a budget for its General Fund for the year ended December 31, 2010. The Village had to amend their budget in November 2010 to account for additional grant money

awarded for the updates to the water plant and the increase in legal expenses as mentioned above. The Village's budgetary comparison is presented as required supplementary information.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the finances for those funds maintained by the Village of Belcher and to show the Village's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Village of Belcher, at (318) 378-4206.



Jennifer C. Fant
Mayor

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Village of Belcher
Belcher, Louisiana

Independent Accountants' Review Report

We have reviewed the accompanying financial statements of the governmental activities of the Village of Belcher, Louisiana (the "Village"), as of and for the year ended December 31, 2010, which collectively comprise the Village's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Village. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The management of the Village is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison on page five through nine and twenty-eight through thirty-two, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but was compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or provide any assurance on the supplementary information.

Miller, Carpenter & Earnest
Miller, Carpenter & Earnest, CPA's (APC)

June 28, 2011

Basic Financial Statements

VILLAGE OF BELCHER

**Statement of Net Assets
December 31, 2010**

		<u>Governmental Activities</u>
Assets		
Cash and cash equivalents	\$	58,027
Time deposits		100,000
Capital assets, net		<u>817,364</u>
Total Assets		<u>975,391</u>
Liabilities		
Payroll taxes payable	\$	276
Insurance payable		<u>8,820</u>
Total Liabilities		9,096
Net Assets		
Invested in capital assets	\$	817,364
Restricted		12,152
Unrestricted		<u>136,779</u>
Total Net Assets		<u>966,295</u>
Total Liabilities and Net Assets	\$	<u>975,391</u>

See accompanying notes and accountants' report.

VILLAGE OF BELCHER

Statement of Activities For the Year Ended December 31, 2010

				Net Revenues (Expenses) and Changes in Net Assets
	Expenses	Program Revenues		Total
Governmental Activities:				
General government	\$ 78,060	\$ -	\$	(78,060)
Total Governmental Activities	\$ 78,060	\$ -	\$	(78,060)
General Revenues:				
Grant revenue			\$	223,144
Insurance premium tax				10,971
Franchise tax				7,357
Veteran's memorial				5,565
Interest income				3,544
Occupational licenses				3,125
Miscellaneous				290
Total General Revenues				253,996
Change in Net Assets				175,936
Net Assets, beginning				790,359
Net Assets, ending			\$	966,295

See accompanying notes and accountants' report.

VILLAGE OF BELCHER

**Balance Sheet
Governmental Fund
December 31, 2010**

	<u>General Fund</u>
Assets	
Cash and cash equivalents	\$ 58,027
Time deposits	<u>100,000</u>
Total Assets	\$ <u>158,027</u>
Liabilities	
Payroll taxes payable	\$ 276
Insurance payable	<u>8,820</u>
Total Liabilities	<u>9,096</u>
Net Assets	
Restricted	12,152
Unrestricted	<u>136,779</u>
Total Net Assets	<u>148,931</u>
Total Liabilities and Net Assets	\$ <u>158,027</u>

See accompanying notes and accountants' report.

VILLAGE OF BELCHER

**Reconciliation of Fund Balance on the Balance Sheet
For the Governmental Fund to the Net Assets of
Governmental Activities on the Statement of Net Assets
December 31, 2010**

Fund Balance – Governmental Fund	\$	148,931
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not resources and therefore are not reported in the fund:

Cost of capital assets at December 31, 2010	1,060,750
Accumulated depreciation as of December 31, 2010	(243,386)

Net Assets of Governmental Activities	\$	<u>966,295</u>
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See accompanying notes and accountants' report.

VILLAGE OF BELCHER
Statement of Revenues, Expenditures and
Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2010

	<u>General Fund</u>
Revenues	
Grant revenue	\$ 223,144
Insurance premiums	10,971
Franchise tax	7,357
Veteran's memorial	5,565
Interest Income	3,544
Occupational licenses	3,125
Other	<u>290</u>
Total Revenues	253,996
Expenditures	
Capital outlay	223,394
General government	41,902
Veteran's memorial	<u>2,227</u>
Total Expenditures	<u>267,523</u>
Net Change in Fund Balance	(13,527)
Fund Balance, beginning	<u>162,458</u>
Fund Balance, ending	\$ <u>148,931</u>

See accompanying notes and accountants' report.

VILLAGE OF BELCHER

**Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balance of Governmental
Fund to the Statement of Activities
For the Year Ended December 31, 2010**

Net Change in Fund Balance – Governmental Fund	\$	(13,527)
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Amounts reported for governmental activities in the
statement of activities are different because:

Governmental funds report capital outlays as
expenditures. However, in the statement of
activities, the cost of these assets is allocated
over their estimated useful lives and reported
as depreciation expense.

The amount by which capital outlays (\$223,394)
exceeded depreciation (\$33,931) in the current
period

189,463

Change in Net Assets of Governmental Activities	\$	<u>175,936</u>
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See accompanying notes and accountants' report.

Notes to the Financial Statements

VILLAGE OF BELCHER

Notes to the Financial Statements December 31, 2010

INTRODUCTION

1. VILLAGE OF BELCHER (the "Village") was incorporated in 1968 under the provisions of Louisiana Revised Statutes 33:321. This report includes all funds controlled by the Village.
2. The Village was formed to meet the needs of the residents within the Village.
3. There are three Aldermen who are elected and receive no compensation for their services.
4. The Village is located North of Shreveport, Louisiana and has a population of 272 residents.
5. The Village has one employee who performs the job of clerk for the Village and maintains the accounting records.
6. The Village's operations are limited to the Village Hall, which houses the Belcher branch of the Shreve Memorial Library and the Belcher Veteran's Memorial. The Village is responsible for maintaining the street lights within the city limits of Belcher and decorating the town for Christmas.
7. The Village does not provide utilities to its residents, maintain the roads, or provide law enforcement. The utilities are provided by other facilities, the roads are maintained by Caddo Parish, and the Caddo Parish Sheriff's office provides law enforcement to the residents of the Village.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements of the Village have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 14:514 and to the guides set forth in the Louisiana Governmental Audit Guide, and to the AICPA Industry Audit Guide, Audits of State and

VILLAGE OF BELCHER

Notes to the Financial Statements December 31, 2010

Local Governmental Units. The more significant of the Village's accounting policies are described below.

B. Reporting Entity

GASB Statement No. 14, The Reporting Entity, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of the Statement, the municipality is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the municipality may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

C. Basic Financial Statements

Government-Wide Statements

The Village financial statements include both government-wide and fund financial statements. Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village net assets are reported in three parts – invested in capital assets, unrestricted, and restricted.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions. The functions are supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by any related program revenues that are directly associated with the function. The net cost – by function – is normally covered by general revenues.

Fund Financial Statements

The financial transactions of the Village are recorded in individual funds in the fund financial statements. A fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures. The Village has one fund, a general fund. The general fund is the general operating funds of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

VILLAGE OF BELCHER

Notes to the Financial Statements December 31, 2010

The emphasis in fund financial statements is on the major funds in the governmental category. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or combined categories) for the determination of major funds. The Village's governmental fund is considered a major fund.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Government-Wide Financial Statements

The governmental funds in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The revenues of the Village consist primarily of insurance premiums, franchise tax, and occupational licenses. Insurance premiums are not billed by the Village and are based on the Life Insurance Premiums paid to multiple insurance companies. The insurance companies calculate the amount based on 2% of the premiums received in the prior year by residents of the Village and issue a check to the Village. Franchise taxes and occupational taxes are billed and generally collected within the fiscal year in which the taxes are levied. Interest income is recorded as it is earned. The Grants entered into by the Village are all reimbursement grants. The revenue derived from these grants is recognized when received due to the lack of measurability prior to that date.

Fund Financial Statements

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis, revenue is recorded when it is susceptible to accrual; that is, when it is both measurable and available. The Village considers amounts collectible within 60 days after year-end to be available for purposes of the above definition. Expenditures are recorded when incurred. Depreciation is not recognized in the governmental fund financial statements.

VILLAGE OF BELCHER

Notes to the Financial Statements December 31, 2010

E. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. The Village considers time deposits and those investments with maturities of 90 days or less as cash equivalents. Under state law, the Village may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

F. Time Deposits

Time deposits include certificates of deposit that have original maturities of 12 months or less but greater than 90 days and are stated at cost in the general fund of the Village.

G. Accounts Receivable

The Village only reports receivables that are expected to be received within 90 days. For the year ending December 31, 2010 there are no receivables deemed collectible.

H. Capital Assets

Fixed assets of the Village are included on the balance sheet of the fund at cost. The Village capitalizes additions, improvements, and other capital outlays that significantly extend the useful life of previously capitalized assets. Costs incurred for repairs and maintenance are treated as period costs and, as such, are expensed as incurred.

Depreciation on all assets is provided on the straight-line method over the following estimated useful lives:

Buildings and improvements	40 years
Furniture and fixtures	5 - 10 years
Equipment	5 - 10 years

I. Budgets

The Village adopts an annual budget on a basis consistent with GAAP. Proposed budgets are presented to the Village's Board of Commissioners for review and approval.

VILLAGE OF BELCHER

Notes to the Financial Statements December 31, 2010

J. Compensated Absences

The Village has not adopted a leave policy regarding sick or vacation time. Leave policy is not considered necessary for the Village by the Aldermen because there is only one part time employee. As such, no accrual for uncompensated absences was made in these financial statements.

K. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

2. GRANT REVENUE

For the year ended December 31, 2010, Grants totaling \$223,144 were received. This amount is comprised of income from numerous grants. The Village entered into a Grant with the Caddo Parish Commission for building and equipment updates to the BelDiGil Water System. The Village also received a CWEF Grant from the State of Louisiana for public works, facilities, and site improvements. The Village used this grant to complete the updates to the water equipment at the BelDiGil Water System. The remainder of the Grant revenue is from the 2008 LCDBG grant for a Fire Protection System of which the installment began in 2009 and was completed in February 2010. The grant revenue for the Fire Protection System received in 2010 totaled \$169,416.

3. CASH AND CASH EQUIVALENTS

At December 31, 2010, the Village had cash and cash equivalents (book balances) as follows:

Demand deposits	\$	58,027
Total	\$	<u>58,027</u>

These deposits are stated at cost, which approximates market value. Under state law, these deposits or the resulting bank balances must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 2010, the Village had \$58,027

VILLAGE OF BELCHER

Notes to the Financial Statements December 31, 2010

in deposits. These deposits were secured from risk by \$250,000 of federal deposit insurance.

4. TIME DEPOSITS

At year end, the Village's time deposit balances were as follows:

Time Deposit:

Fair Value	\$ 100,000
Cost Basis	\$ 100,000

The time deposits of the Village consist of one 12 month Certificate of Deposit. The interest earned on the certificate is deposited into the general fund checking account and not reinvested into the Certificate. Therefore the cost basis and fair value of the certificate are the same. These investments are acceptable under Louisiana R.S. 33:2955(A)(1)(d)(i).

5. CAPITAL ASSETS

The following as a summary of capital assets:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets:				
Land	\$ 37,900	\$ -	\$ -	\$ 37,900
Buildings	100,000	-	-	100,000
Furniture	5,971	-	-	5,971
Equipment	693,485	223,394	-	916,879
Total	837,356	223,394	-	1,060,750
Accumulated Depreciation:				
Buildings	100,000	-	-	100,000
Furniture	5,971	-	-	5,971
Equipment	103,484	33,931	-	137,415
Total	209,455	33,931	-	243,386
Capital assets, Net	\$ 627,901	\$ 189,463	\$ -	\$ 817,364

VILLAGE OF BELCHER

Notes to the Financial Statements December 31, 2010

6. INSURANCE PAYABLE

The Village receives money from Insurance companies for a percentage of the premiums paid on life insurance by the residents of the community. The insurance premium tax payments are not solicited by the Village and the agencies calculate the amount due each year to the Village. In March of 2009 a check was received for \$8,820 more than was due. The error was not noticed until early 2010. The Mayor contacted the agency who issued the check in error and set up a payable for the amount due to the insurance company. As of December 31, 2010 the insurance company had yet to request reimbursement.

7. INSURANCE PROCEEDS

The Village hall was damaged in early January of 2010 from a flood. The insurance company covered the majority of the cost related to repairs to the floor and walls. The total cost of the repairs were \$12,261 and insurance proceeds totaled \$10,944 for a net cost to the Village of \$1,317.

Required Supplemental Information

Village of Belcher

**Schedule of General Government Expenditures – Budget
And Actual (GAAP Basis) – General Fund
For the Year Ended December 31, 2010**

	Budgeted	Amounts		Variance
	Original	Final	Actual	Favorable (Unfavorable)
Payroll	\$ 1,800	\$ 1,800	\$ 1,800	\$ -
Utilities	12,500	12,500	12,213	287
Insurance	4,000	4,225	4,873	(648)
Office expenses	2,000	2,000	2,612	(612)
Landscaping	1,500	1,500	1,272	228
Publications	2,000	2,500	2,512	(12)
Taxes	300	300	140	160
Legal	3,000	7,700	9,389	(1,689)
Bond	100	100	100	-
Christmas lights	300	300	-	300
Bldg maint & rep	400	13,500	1,698	11,802
Accounting	2,000	4,500	4,500	-
Education & travel	3,000	3,000	3,020	(20)
Water Project Grants	25,000	194,416	223,394	(28,978)
Total general government expenditures	\$ 57,900	\$ 248,341	\$ 267,523	\$ (19,182)

See accompanying notes and accountants' report.

Other Reports

VILLAGE OF BELCHER

Independent Accountants' Report on Applying Agreed-Upon Procedures

To the Legislative Auditor:

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about compliance with certain laws and regulations during the year ended December 31, 2010 included in the accompanying *Louisiana Attestation Questionnaire*. Management of the Village is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with R.S. 38:2211-2296 (the public bid law) or R.S. 39:1551-39:1775 (the state procurement code), whichever is applicable.

All expenditures made during the year ended December 31, 2010, for materials and supplies in excess of \$20,000 and public works in excess of \$100,000 were examined for compliance with Public Bid Law and State Procurement Code. No instances of non-compliance were identified.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management appeared on the list provided by management of immediate family members.

Budgeting

5. Obtained a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget and the amended budget approved in November of 2010.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on December of 2009 which indicated that the budget had been adopted by the Aldermen of the Village. The amended Budget was adopted by the Aldermen in November of 2010.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5 % or more, or if actual expenditures exceed budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures to determine if actual expenditures exceed budgeted amounts by 10% or more per category or 5% or more in total).

We compared the regular governmental expenditures for the year and they did not exceeded the budgeted amounts by 5% or more.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:
(a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account;

All of the payments selected were properly coded to the correct fund and general ledger account.

- (c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the Mayor and the clerk.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:1 through 42:13 (the open meetings law).

The Village posts the date and time of the meetings publicly each month on the lighted message board outside the Village Hall. Although management has asserted that the posting of the date and time of the meetings were properly posted, we could find no evidence supporting such assertion other than review of the minutes where guests were noted and also discussed issues with the Aldermen.

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees that may constitute bonuses, advance, or gifts.

A reading of the minutes of the Village for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

Prior Comments and Recommendations

The prior year report, dated June 29, 2010, did not contain any comments or unresolved matters.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

June 28, 2011

Miller, Carpenter + Earnest

Miller, Carpenter, & Earnest, CPA's

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

June 6, 2011

Miller, Carpenter, & Earnest, CPA's
6425 Youree Dr. Ste 480
Shreveport, LA 71105

In connection with your review of our financial statements as of December 31, 2010 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [☒] No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes [☒] No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes [☒] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-16), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [☒] No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [☒] No []

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [☒] No []

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [☒] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R. S. 42:1 through 42:13.

Yes ☒ No ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes ☒ No ☐

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

_Date Secretary_____

_Date Treasurer_____

6-6-11
Date President _____

Mayor _____